INTERNATIONAL SEABED AUTHORITY

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PROPOSED BUDGET FOR THE INTERNATIONAL SEABED AUTHORITY FOR 1999

Report of the Secretary-General

I. INTRODUCTION

1. The proposed budget of the Authority for 1999 continues to follow the evolutionary approach reflected in the budget for 1997, and which was endorsed by the Assembly.[1] The evolutionary approach to the setting up and functioning of the organs of the Authority is also reflected in the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea.

2. It is recalled that the number of approved posts for 1998 was 36 (19 at the Professional level and above and 17 General Service). In the 1997 budget proposal it was foreseen that by 1999 the secretariat would require a total of 44 posts. By 1999, the secretariat will have made substantial progress towards completing its internal organization. It has already embarked upon its substantive work and will continue to develop this aspect of its work programme. However, in the light of experience since 1997, the secretariat needs more time to consolidate its present resources and evaluate its future staffing requirements better. As a result, the further request for additional posts in 1999 is being postponed. No additional posts are being requested in the present budget. On the other hand, as a result of the steady build-up of staff and the increase in substantive work performed by the secretariat, as well as inflation in the costs of goods and services, it has been necessary to review the level of expenditures for non-post requirements in 1999. In preparing the proposed budget, fiscal restraint and financial responsibility have been borne in mind consistent with the functions that are to be performed by the Authority as it proceeds to carry out its substantive work and to meet the expectations of member States.

3. It is recalled that the proposed budget for 1998 amounted to $5,823,100, comprising $3,589,100 for the administrative expenses of the Authority and $1,786,100 for conference-servicing requirements.[2] Following discussions in

the Finance Committee, a revised proposal amounting to $4,703,900 was presented and adopted by the Assembly, comprising $3,328,100 for the administrative expenses of the Authority, while the conference-servicing requirements were re-costed at $1,375,800. In addition, a working capital fund of $392,000 was established for the biennium 1998-1999, with $196,000 to be paid in 1998 and $196,000 to be paid in 1999.[3] In revising the budget proposal for 1998, the number of new posts requested was reduced from nine to four and, taking into account the likely delays in recruitment, reductions were made in non-post requirements.

4. In 1998, for the first time the budget was to be funded through direct contributions from member States. Because of the evolutionary approach, no real benchmark was available against which to assess the budgetary requirements of the Authority. As a result, some major contributors had under-budgeted their anticipated contributions. In the light of the discussion in the Finance Committee and representations made to the Secretary-General by some delegations, the budget proposal was revised to take into account the special circumstances of those members. The consequence of this was to reduce the budget for 1998 artificially. In order to meet the situation, recruitment for some posts approved for 1997 was delayed. The resulting savings from 1997 were used to meet certain anticipated expenditures for 1998. This could be done only once, since those posts for which recruitment was delayed have now been filled and therefore have to be fully costed for 1999. In addition, it is necessary to restore the non-post expenditures to realistic levels.

II. SUMMARY OF 1999 BUDGET PROPOSALS

5. The Secretary-General estimates that the budgetary requirements of the Authority for 1999 will be in the amount of $5,604,100, comprising $4,228.3 for the administrative expenses of the Authority and $1,375.8 for conference-servicing requirements. The increase of $900,200 in 1999 for administrative expenses is partially attributable to the full costing for salaries and common staff costs of the 36 posts authorized in 1998. It reflects an adjustment of $541,700 over the provision made for 1998 in respect of those items. In this regard, it will be recalled that six of the posts authorized for 1998 were funded at 50 per cent for Professional posts and 65 per cent for General Service posts, in order to take into account delays in recruitment. The increased provision was anticipated since it is a consequence of decisions already taken.

6. As the number of staff has increased, it has been found necessary to propose consequential, but modest, increases in non-post requirements for 1999. The non-post requirements proposed for 1999 also reflect increases, as a result of inflation, in the cost of goods and services procured locally (for example, communications, stationery and office supplies). In addition, as a result of a review of actual expenditures under specific objects of expenditure in 1997 and 1998, it has been possible to provide a more realistic and accurate estimate of the requirements for 1999. Setting aside the necessary adjustment in the provision for salaries and common staff costs in 1999, the proposed budget for non-staff costs for 1999 represents an increase of 10.7 per cent over the budget for 1998.

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7. It is considered that the overall level of the proposed budget for 1999 is realistic, taking into account the increased staffing levels of the Secretariat, the consequential increase in non-post requirements, anticipated outputs in terms of the substantive work programme and the actual conference-servicing requirements of the Authority for 1999. A summary of the resource requirements for 1999 is presented in annex I.

III. ACTIVITIES FOR 1999 AND RESOURCE REQUIREMENTS

8. The secretariat will continue to provide the services that facilitate the deliberations of the representatives of members of the Authority in the Assembly and the Council as well as the members of the Legal and Technical Commission and the Finance Committee. The work of the secretariat is carried out by the staff of the Authority, who bring their technical expertise into the integrated approach called for in relation to the administration of the resources of the deep seabed. The main functions of the secretariat include:

(a) Preparing and submitting draft texts, reports and other documents, analysis, research findings, policy suggestions and recommendations, etc.;

(b) Providing secretariat services to the Assembly, the Council, the Legal and Technical Commission and the Finance Committee; providing information and advice to the bureaux of those organs and bodies and to delegations; and assisting in planning the work of the sessions, in the conduct of the proceedings and in drafting reports;

(c) Providing meeting services (including interpretation, translation, document reproduction services and press releases);

(d) Producing publications, information bulletins and analytical studies;

(e) Organizing and servicing expert group meetings, seminars and workshops;

(f) Disseminating information on the Authority's activities and decisions;

(g) Programme planning and allocating resources for the effective, economical and efficient performance of the services and functions of the secretariat.

9. The functions of the four organizational units of the secretariat indicated below reflect the distribution of the responsibilities enumerated above. An organizational chart of the secretariat is provided in annex II.

A. Office of the Secretary-General

10. The functions of the Office of the Secretary-General are:

(a) To assist the Secretary-General in the implementation of general policy and executive management and direction over the secretariat;

(b) To coordinate the work of the secretariat;

(c) To be responsible for the external relations of the Authority;

(d) To be responsible for protocol matters, liaison and representation, organization of official ceremonies and similar functions;

(e) To maintain up-to-date lists of permanent representatives and other persons accredited to the Authority, issue official identification passes and notify the host Government of arrivals and departures of representatives, including their family members and household staff, accredited to the Authority;

(f) To coordinate with the office responsible for conference services of the United Nations on the conference-servicing (pre-session, in-session and post-session) needs of the Authority;

(g) To ensure the timely preparation, translation, printing and distribution of official documentation.

In 1998, the Office of the Secretary-General was provided with seven posts (Secretary-General, 1 P-5, 2 P-3, 1 P-2, and 2 General Service). No additional posts are requested for 1999.

B. Office of Legal Affairs

11. The basic functions of the Office of Legal Affairs are defined in the report of the Secretary-General for 1997[4] as follows:

(a) Provision of secretariat services to the organs of the Authority;

(b) Provision of legal advice relating to the substantive work of the Authority;

(c) Provision of general legal services to the Authority;

(d) Library and publication services.

12. In addition, pending the full establishment of the Office of the Secretary-General, the Office of Legal Affairs is temporarily responsible for carrying out some of the functions of the Office of the Secretary-General, including protocol and documentation and conference services.

13. In 1999, the Office of Legal Affairs will be responsible for the following specific functions:

(a) Providing secretariat services to the organs of the Authority;

(b) Preparing rules, regulations and procedures for the conduct of activities in the Area;

(c) Formulating model terms of contracts and drafting exploration contracts for approval by the Legal and Technical Commission and the Council;

(d) In collaboration with the Office of Administration and Management, assisting in the preparation of the Financial and Staff Regulations of the Authority;

(e) Assisting in the negotiation of the headquarters agreement between the Government of Jamaica and the International Seabed Authority;

(f) Providing general legal services to the secretariat and advising the Secretary-General as required on legal matters, including providing legal advice on financial, personnel and pension matters, including the interpretation of the Financial Regulations, Staff Regulations and administrative directions of the United Nations and the Rules and Regulations of the United Nations Joint Staff Pension Fund;

(g) Advising on matters relating to the privileges and immunities of the Authority and its staff, permanent representatives to the Authority and representatives of members of the Authority;

(h) Preparing agreements and memoranda on cooperation with other international organizations, such as the Intergovernmental Oceanographic Commission and the United Nations Educational, Scientific and Cultural Organization and draft relationship agreements between the Authority and other national or international institutions;

(i) Maintaining appropriate relations on legal matters between the Authority and the Office of Legal Affairs of the United Nations Secretariat and its Division for Ocean Affairs and the Law of the Sea, the Commission on the Limits of the Continental Shelf and the International Tribunal for the Law of the Sea;

(j) Monitoring developments relating to the law of the sea generally and, in particular, maintaining an up-to-date list of States parties to the Convention and the Agreement;

(k) Conducting research on the legislative history of Part XI of the Convention;

(l) Developing and maintaining a library of legal and technical materials relevant to the work of the Authority for use by staff members, members of permanent missions and representatives of members of the Authority;

(m) Managing the production and distribution of the Authority's technical publications, as well as information bulletins on the work of the Authority and the decisions of its governing bodies.

14. The highest priority task in 1999 will be to complete work on the Mining Code. This will involve steering the draft Code through the Legal and Technical Commission and the Council and preparing revisions and analyses of the text as necessary. Once the Mining Code is adopted, contracts will need to be prepared

in respect of the seven registered pioneer investors whose requests for approval of plans of work for exploration were approved by the Council in 1997. In addition, the Office of Legal Affairs will carry out in-depth research and analysis on specific topics related to the Authority's responsibilities under the Convention and the Agreement, and prepare a series of studies of the legislative history of Part XI of the Convention to supplement the work carried out by the Division for Ocean Affairs and the Law of the Sea prior to the establishment of the Authority.

15. The Office of Legal Affairs was provided with six posts in 1997 (1 D-1, 1 P-5, 1 P-4, 1 P-2 and 2 General Service). No additional posts are requested for 1999.

C. Office of Resources and Environmental Monitoring

16. The basic functions of the Office of Resources and Environmental Monitoring include:

(a) Provision of secretariat services to the organs of the Authority;

(b) Provision of economic, technical and scientific inputs in the preparation of and monitoring compliance with the rules, regulations and procedures for the conduct of activities in the Area and standards for the protection and preservation of the marine environment;

(c) Implementation of the decisions of the Preparatory Commission relating to the registered pioneer investors and their certifying States;

(d) Development and maintenance of the information technology facilities of the Authority, in particular its information management systems, its central data repository of marine mineral resources of the Area, its Polymetallic Nodule Deposit Database (POLYDAT), its environmental database and its databases on exploration technology and developments in the land-based markets of the minerals to be produced from the Area;

(e) Promotion and encouragement of the conduct of marine scientific research with respect to activities in the Area;

(f) Monitoring trends and developments relating to deep seabed mining activities, including world metal market conditions;

(g) Acquisition of scientific knowledge and monitoring of the development of marine technology relevant to activities in the Area, in particular technology relating to the protection and preservation of the marine environment, and assessment of the available data relating to prospecting and exploration.

17. In 1999, the Office of Resources and Environmental Monitoring will undertake the following specific activities:

(a) Provide secretariat services to the organs of the Authority;

(b) Provide the necessary economic, technical and scientific inputs to the preparation of the rules, regulations and procedures for the conduct of activities in the Area;

(c) Evaluate and report to the Legal and Technical Commission on the training programmes conducted by registered pioneer investors under the pioneer regime, particularly on those training programmes which the training panel of the Preparatory Commission was unable to evaluate;

(d) Further develop and maintain the information technology capacity of the Authority, including:

(i) Developing a database module of all persons trained by the pioneer investors on behalf of the Authority;

(ii) Upgrading the web site to enable the Authority to publish official documents on its web site in English, French and Spanish in a downloadable format and to provide authorized access to data and maps relating to the Area;

(iii) Expanding POLYDAT to include modules on the technology and methodology used in prospecting and exploration for polymetallic nodules and for continuous bathymetric surveys, multi-layer surveys and seismic and geotechnical information;

(iv) Upgrading geographic information system (GIS) software to produce needed outputs, maps and displays that cannot be displayed with the current software;

(v) Implementing a library management application to enhance search capabilities, facilitate cataloguing and circulation of documentation and link the Authority's library to related libraries via the Internet;

(vi) Cataloguing and archiving the documentation of the Seabed Committee and the Preparatory Commission on mass storage media;

(vii) Providing training in the use of the various software applications;

(e) Provide the necessary scientific and technical inputs to assist the Authority in adopting rules, regulations and procedures incorporating applicable standards for the protection and preservation of the marine environment;

(f) Establish a database to support the Authority's environmental monitoring programme (physical environment, basic biological, oceanographic and meteorological data);

(g) Prepare a comprehensive report on the ecological risk associated with the conduct of activities related to the deep-sea polymetallic nodules of the Area;

(h) Convene a workshop, as requested by the Legal and Technical Commission, to assist the Authority to identify environmentally friendly technologies for use in prospecting and exploration for polymetallic nodules;

(i) Monitor the development of marine technology that is relevant to activities in the Area, particularly technology relating to the protection and preservation of the marine environment;

(j) Prepare a report on proposed, tested and patented technologies for prospecting, exploration and exploitation of the deep-sea polymetallic nodules of the Area;

(k) Continue to assess available data relating to prospecting and exploration in the Area generally and, in particular:

(i) Prepare a report on the status of other solid, liquid or gaseous mineral resources in the Area;

(ii) Prepare for and convene a workshop, as requested by the Legal and Technical Commission, on the current developments in and prospects for other solid, liquid or gaseous mineral resources in the Area;

(iii) Provide updated reports, topographic and thematic maps on resource evaluation of the Authority's reserved areas, augmenting them with available information from continuous bathymetric, multi-layer and seismic surveys.

18. The Office of Resources and Environmental Monitoring was provided with nine posts in 1997 (1 D-1, 1 P-5, 2 P-4, 1 P-3 and 4 General Service). No additional posts are requested for 1999.

D. Office of Administration and Management

19. The basic function of the Office of Administration and Management is to provide continuing administrative and management support to the secretariat in the following areas:

(a) Preparation of proposed budget and performance reports, review and monitoring of expenditures, maintenance of financial statistical data and development and maintenance of parameters for costing the proposed budget;

(b) Preparation of the proposed scale of assessments for members of the Authority, monitoring of payment status and preparation of periodic reports on the status of contributions, issuing requests and receipts for contributions, communicating with members regarding outstanding payments;

(c) Administration of bank accounts and reconciliation of bank statements, planning for monthly cash requirements and investing funds, cash management, receiving and recording all payments, effecting all disbursements, recording the collection of monies and other receivables, processing of financial and accounting documents, production of financial statements and monthly allotment

reports, recording and preparation of consolidated statements of income and expenditure;

(d) Effecting payment of salaries, related allowances and benefits to staff and consultants, processing income tax reimbursements as required, preparation of reports and statements of earnings, handling pension and insurance matters;

(e) Recruitment of staff, consultants and individual contractors, preparation of vacancy announcements and advertisements, evaluating and interviewing candidates, presentation of a recruitment case to the Appointment and Promotion Board, determination of salary level and entitlements for new staff members and making offers and arrangements for medical clearance and travel, including visas, as required;

(f) Administration of staff regulations and rules, preparation of letters of appointments, review and extension of contracts, issuing personnel actions and travel authorizations, determination and processing of various entitlements, including rental subsidy, education grant, home leave, and mobility and hardship allowance, administration of attendance and leave, processing of travel claims, counselling and consultation with staff members as needed, handling appeals and disciplinary cases as required and handling classification matters;

(g) Identification of training needs and organization of training;

(h) Maintaining appropriate liaison with the secretariats of UNJSPF, the Administrative Committee on Coordination, the Consultative Committee on Administrative Questions and the International Civil Service Commission and monitoring developments within the United Nations common system, particularly relating to policies regarding salaries, pensions, allowances and benefits and finance/budgetary procedures;

(i) Negotiating, preparing and administering contracts for the procurement of supplies, equipment and services; presentation of cases to the Contracts Committee; maintenance of a computerized roster of vendors and completed purchase orders; and processing acquisitions, bids, purchase orders and invoices;

(j) Processing travel/shipment documents and visa applications, customs clearances and travel/shipment transactions, arranging for and monitoring shipments of household goods and personal effects;

(k) Providing stores and control services for expendable supplies; preparation, receiving and inspection of reports; and maintaining an inventory of office equipment, furniture and non-expendable supplies;

(l) Operation and maintenance of official vehicles;

(m) Planning, development and implementation of security and safety measures for the premises of the Authority, staff and family members, delegates and other guests to the secretariat and conference complex; coordination with the relevant local authorities on security and safety matters as well as with

the local offices of other international organizations and with the Security Coordinator.

20. In 1999, the Office of Administration and Management will continue to focus on establishing and developing a sound and efficient management foundation in the fields of budget, treasury, finance, accounting, payroll, procurement, human resources, security and general administration. To that end, it will ensure that all administrative procedures are not only in conformity with relevant regulations and rules but also as simple and cost-effective as possible without sacrificing the necessary control and checking mechanism.

21. The Office of Administration and Management will prepare financial and staff rules based on the Financial and Staff Regulations which are expected to be adopted by the Authority in 1998/1999. It will continue to establish and implement a number of administrative policies and procedures in line with the Financial and Staff Regulations and Rules of the United Nations and with the standards of the United Nations common system. The Office of Administration and Management intends to consider, inter alia, the following issues: delegation of authority, performance evaluation, training, procurement, security and safety, and various allowances and benefits.

22. The Office of Administration and Management will aim to achieve maximum efficiency and cost-effectiveness in its administrative machinery by using information technology where appropriate. The processing of financial and personnel actions will be computerized as far as possible, and a personnel database will be established for transactions and statistics. The Office of Administration and Management will also explore areas where greater efficiency can be achieved, for example, telecommunications.

23. The Office of Administration and Management intends progressively to replace furniture and equipment inherited from the Kingston Office for the Law of the Sea, much of which has far exceeded the normal depreciation period. Each staff member will be provided with necessary computer equipment and an adequate level of office equipment and furniture to ensure a safe, comfortable and efficient working environment in compliance with international standards. Proper furnishings for the reception area will also be acquired.

24. In 1998, the Office of Administration and Management was provided with 14 posts (1 P-5, 1 P-4, 2 P-3, 1 P-2 and 9 General Service). No additional posts are requested for 1999.

E. Resource requirements

25. In addition to requirements for posts and common staff costs, non-post resources in the estimated amount of $1,310,000 would be required for the administrative expenses of the secretariat.

26. The amount of $1,375,800 would provide for the costs of two meetings of the Authority, including reimbursement of conference-servicing costs to the United Nations.

27. The total resource requirement of the Authority in 1999 is estimated at $5,604,100, comprising $4,228,300 for the administrative expenses of the Authority and $1,375,800 for conference-servicing requirements. In accordance with the decision already taken in 1998,[5] a further $196,000 is required for the working capital fund. The Secretary-General commends the proposed budget for 1999 to the Council and the Assembly.

IV. ACTION TO BE TAKEN BY THE COUNCIL AND THE ASSEMBLY

28. The Council and the Assembly may wish to:

(a) Approve the estimated budgetary requirements for 1999 in the amount of $5,604,100, as proposed by the Secretary-General;

(b) Request the members of the Authority to:

(i) Remit their advances to the Working Capital Fund, on time and in full, no later than 1 January 1999; and

(ii) Pay their assessed contributions to the budget for 1999, on time and in full, by 1 January 1999.

Notes

[1] ISBA/A/14.

[2] ISBA/3/A/5.

[3] ISBA/3/A/9.

[4] ISBA/3/A/4.

[5] ISBA/3/A/9.

ANNEX I

International Seabed Authority

Summary of budgetary requirements for the period from 1 January to 31 December 1999

(Thousands of United States dollars)

A. Administrative costs of the Authority		
Section 1.	Established posts	2 058.2
	General temporary assistance	12
	Overtime	15
	Consultants	84
	Ad hoc experts groups	320
	Common staff costs	860.1
	Staff assessment	519.2
Section 2.	All official travel	80
Section 3.	General operating expenses	
	Communications	80
	External printing	45.5
	Training	22.7
	Library books and supplies	50
	Official functions	10
	Acquisition of furniture and equipment	88.9
	Rental and maintenance of furniture and equipment	40
	Supplies and materials	38.5
	Miscellaneous services	18.4
	Audit	15
	Contingency	20
Section 4.	Building management	
	Rental and maintenance of premises	320
	Rental of official residence	50
		4 747.5
	Income from staff assessment	(519.2)
		4 228.3
B. Conference-servicing costs of the Authority		1 375.8[a]
	Total	5 604.1
Working Capital Fund		196
	Grand total	5 800.1

[a] 1998 figures used pending further estimate from United Nations Headquarters.

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ANNEX II

International Seabed Authority: organizational chart